Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

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PAGE 01 STATE 167117
ORIGIN ARA-14

INFO OCT-01 NEA-10 ISO-00 L-03 EB-07 H-01 COME-00
FEA-01 OPIC-03 TRSE-00 /040 R

DRAFTED BY ARA/CAR:DEHENDERSON
APPROVED BY ARA/CAR:TJCHEAVNER
ARA/CAR:RJSURBER
L:FARMSTRONG
EB:DJETT
----------106119 190206Z /65
R 182101Z JUL 77
FM SECSTATE WASHDC
TO AMEMBASSY NASSAU
INFO AMEMBASSY TRIPOLI

C O N F I D E N T I A L STATE 167117

E.O. 11652: GDS

TAGS:ENRG, BF, LY, EINV

SUBJECT:LIBYAN DEBT DISPUTE WITH NEW ENGLAND PETROLEUM CO.

REF: (A) TRIPOLI 711, (B) NASSAU 820, (C) NASSAU 873

1. REF A STATES THAT LIBYAN NATIONAL OIL COMPANY (NOC) IS ATTEMPTING TO FORCE NEW ENGLAND PETROLEUM COMPANY (NEPCO) INTO INVOLUNTARY BANKRUPTCY. "INVOLUNTARY BANKRUPTCY" IS A TECHNICAL TERM USED IN AMERICAN BANKRUPTCY LAW. NOC CAN PURSUE SUCH A SUIT IN ANY U.S. FEDERAL COURT FOR DISTRICT IN WHICH NEPCO DOES BUSINESS. IF NOC WERE SUCCESSFUL IN AMERICAN SUIT, COURT WOULD APPOINT TRUSTEE IN BANKRUPTCY WITH BROAD POWERS TO DISPOSE OF NEPCO'S ASSETS AND DISTRIBUTE PROCEEDS AMONG DEBTORS, PROBABLY TO HIGHEST BIDDER. IF NOC HOLDS SECURITY LIEN ON FREEPORT REFINERY TO INSURE PAYMENT OF DEBTS, TRUSTEE
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WOULD HAVE TO GIVE IT REFINERY AS MATTER OF LAW. IF SUCH JUDGMENT WERE GRANTED IN U.S. COURT, TRUSTEE COULD SEEK ANCILLARY DECREE IN BAHAMIAN COURT TO ENFORCE U.S. DECREE.

2. IT IS POSSIBLE THT NOC COULD PURSUE BASIC INVOLUNTARY BANKRUPTCY SUIT DIRECTLY IN BAHAMIAN COURTS. IN THIS REGARD PLEASE INFORM DEPARTMENT WHETHER LIBYAN OIL

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COMPANY PETITION IN SUPREME COURT OF BAHAMAS THAT BORCO
"WIND DOWN" FREEPORT OPERATION IS CONSIDERED BANKRUPTCY
PROCEEDING UNDER BAHAMIAN LAW. PLEASE PROVIDE ALSO
RESULTS OF JULY 4 PRELIMINARY HEARING, IF KNOWN. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DISPUTES, PETROLEUM, LITIGATION, DEBTS, BANKRUPTCIES, COURTT DECISIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE167117
Document Source: CORE
Document Unique ID: 00
Drafter: DEHENDERSON
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770267-1034
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770746/aaaabnpp.tel
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Litigation History:
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Office: ORIGIN ARA
Original Classification: CONFIDENTIAL
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Original Previous Classification: n/a
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Reference: 77 TRIPOLI 711, 77 NASSAU 820, 77 NASSAU 873
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Nov-2004 12:00:00 am
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Review Exemptions: n/a
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SAS ID: 1826800
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TAGS: ENRG, EINV, BF, LY, LIBYAN NATIONAL OIL CO, NOC, NEW ENGLAND PETROLEUM CO, NEPCO
To: NASSAU
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/ae7f1d68-c288-dd11-92da-001cc4696bcc
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